



Medicaid Innovation Accelerator Program (IAP)



**Medicaid Value-Based
Payment Approaches
for Substance Use
Disorders**

National Webinar Series

October 26, 2017

2:00pm – 3:30pm ET

Logistics

- Please mute your line & do not put the line on hold
- Use the chat box on your screen to ask a question or leave a comment
 - Note: chat box will not be seen if you are in “full screen” mode
 - Please also exit out of “full screen” mode to participate in polling questions
- Moderated Q&A will be held periodically throughout the webinar
 - Questions submitted via the chat box will be prioritized
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Purpose & Learning Objectives

1

- States will learn about key considerations in developing and implementing value-based payment (VBP) approaches for substance use disorders (SUD)

2

- States will gain a better understanding of other states' VBP approaches

3

- States will be able to apply a framework for planning a new VBP program for SUD.

Agenda

- Introduction and Overview
- Introducing SUD Examples Across a Continuum of VBP Approaches
 - *Discussion Break*
- Key Considerations for VBP SUD Program Design
 - *Discussion Break*
- Wrap Up & Next Steps

Facilitator

- **Suzanne Fields, MSW**
- Faculty and Senior Advisor for Healthcare Financing and Policy, University of Maryland School of Social Work



Speaker

- **John O'Brien, MS**
- Senior Consultant,
Technical Assistance
Collaborative



Speaker

- **Allison Hamblin, MSPH**
- Senior Vice President,
Center for Health Care
Strategies



Speaker

- **Rachael Matulis, MPH**
- Senior Program Officer,
Center for Health Care
Strategies



Overview of Medicaid Innovation Accelerator Program and Value-Based Payment Webinar Series

Medicaid Innovation Accelerator Program (IAP)

- Commitment by the Centers for Medicare & Medicaid Services (CMS) to build state capacity and support ongoing innovation in Medicaid through targeted technical support*
- A Center for Medicare and Medicaid Innovation (CMMI)-funded program that is led by and lives in CMCS
- Supports states' Medicaid delivery system reform efforts:
 - The IAP goal is to increase the number of states moving towards delivery system reform across program priorities
- Not a grant program; targeted technical support

*IAP refers to *technical support* as support, program support, or technical assistance.

Value-Based Payment Webinar Series



Medicaid Value-Based Payment Approaches and Key Design Considerations

Medicaid VBP Approaches for Children's Oral Health

Medicaid VBP Approaches for Substance Use Disorders

Medicaid VBP Approaches for Maternal and Infant Health

Introducing SUD Examples Across a Continuum of VBP Approaches

John O'Brien, MS

Health Care Payment Learning and Action Network Alternative Payment Model Framework



Category 2 Example- SBIRT Incentive

- **What It Is**
 - Oregon's bonus payment based on quality performance
 - Awarded for: 1) Improvement or 2) Achievement of a benchmark
 - Based on an array of measures, including Screening, Brief Intervention, and Referral to Treatment (SBIRT)
- **How it Relates to System Goals**
 - Wanted to promote the full array of integrated care
 - A lot of interest in the state already on improving SBIRT
 - A local university laid ground work
 - Dedicated technical assistance group on SBIRT

Category 2 Example- SBIRT Incentive

- **Development of the Measure**
 - Literature Review and Convening of Thought Leaders
 - Continued to tweak measure as they gained experience
 - Pilot program
 - Provider input
 - First reported in 2013, currently suspended until 2019

Category 2 Example- SBIRT Incentive

- **Where They Are Now**
 - Measurement has generated interest and initiative from providers
 - More people implementing SBIRT
 - Taking a step back because of the switch from ICD-9 to ICD-10
 - Re-developing the measure to be tracked through EHR instead of through claims

Category 3 Example- Bundled Payment for Medication Assisted Treatment (MAT)

- **What It Is**
 - A single monthly payment for labs, psychiatry, group and individual therapy, outpatient
 - Offered by Medicaid health plans such as Beacon, Optum
- **How it Relates to System Goals**
 - Incentivizes providers to offer a full continuum of MAT
 - Not simply detox but access to medication, treatment and transition planning including medication maintenance.
 - Incentivizes an evidence-based practice

Category 4 Example- Accountable Care Organization (ACO) Model with Shared Savings

- **What It Is**

- New York's program for incentivizing a total care arrangement for people with 4 chronic conditions
 - Including Serious SUD
- Developing a set of metrics that reflects high quality, integrated care
- Plans/ACOs are offered a set of metrics with associated payment arrangements

Category 4 Example- ACO Model with Shared Savings

- **How Measures are Categorized**
 - Category 1 are reliable and valid
 - Plans must report on all Category 1 measures
 - They are offered a 50-50 shared savings arrangement
 - Category 2 need more testing and validation
 - Plans can elect these measures
 - They are offered a 90-10 shared savings arrangement
 - Category 3 are aspirational and maybe not valid
 - ACOs receive the savings from these measures
- **How It Relates to System Goals**
 - Promotes integrated, whole-person care

Category 4 Example- ACO Model with Shared Savings

- **Where They Are Now**
 - Pilots with plans to help them contract with providers
 - Providing extra support and assistance with measures
 - Testing elements of the process, working directly with plans on the measures that do not have a national value set established
 - Have gotten good feedback - the plans have been very supportive of their efforts

Revisiting the Design Elements

- **Presented in first VBP webinar**
- **Provide decision points for developing a VBP model**
 - Patient population of focus
 - Services included
 - Financial performance and benchmarking
 - Quality of performance measure
 - Attribution of patients
 - Risk adjustment

Discussion & Questions



Key Considerations for VBP SUD Program Design

Allison Hamblin, MSPH

Rachael Matulis, MPH

Key Considerations for VBP SUD Program Design

- Assess VBP in context of local market and system goals
- Engage stakeholders in design and implementation
- Consider provider capacity
- Select a quality measurement approach
- Determine how to implement SUD VBP in a managed care environment
- Provide technical assistance

Assess VBP in Context of Local Market and System Goals

- What are your SUD system goals to address the needs of beneficiaries?
- Are there existing delivery system or payment reform efforts related to your SUD system goals?
- How would a VBP approach fit in with:
 - Existing Medicaid initiatives?
 - Other payers' initiatives?

Engage Stakeholders in the Design and Implementation Process

- Involve key stakeholders in design and implementation
 - Aim for a transparent payment methodology
 - Recognize reporting burdens
- Use stakeholders to help evaluate how well the program promotes your goals
 - Consider inefficiencies in the VBP model that can be remedied
 - Consider treatment gaps not being addressed
 - Think about unintended consequences
 - Use stakeholders to consider VBP design elements
 - E.g. Financial benchmarking and attribution

Consider Provider Capacity

- Behavioral health providers may require assistance with:
 - Billing
 - Data collection
 - Reporting
- Allow time for them to:
 - Build infrastructure
 - Gain experience
- Find out what specific questions providers have about measurement and reporting
- Offer technical assistance

Select Quality Measurement Approach

- Which quality measures will your state use (nationally endorsed, homegrown)?
 - Commonly-used, standardized measures:
 - Initiation and Engagement (IET)
 - Follow-up After Discharge from Emergency Department for Alcohol and Other Drug Dependence (FUED)
 - NQF-endorsed measures
 - Process vs. outcome measures
 - Homegrown SUD measures that match state-specific goals

Select Quality Measurement Approach

- Examples of homegrown measures:
 - Some states are using the Treatment Episode Data Set (TEDs) and National Outcome Measures (NOMs) to develop performance measures (CT, KS)
 - Some states are using data derived from standardized screening tools (MA)
 - Local data sources are another option (for example, Oregon's SBIRT measure)

Select Quality Measurement Approach

- What data are available?
- How will you collect data?
 - Administrative claims, record reviews, etc.?
- How will you establish benchmarks?
- What process will you use to obtain measurement feedback from stakeholders?

Determine How to Implement SUD VBP in a Managed Care Environment

- How flexible or prescriptive should a VBP requirement be within managed care?
 - Require or encourage use of specific delivery system reforms to help advance VBP for SUD?
- How are VBP targets (e.g., % of all payments) for plans determined?
 - Ramp up VBP targets more slowly for SUD providers?
- What counts as a qualified VBP arrangement?
 - States can use HCP-LAN categories to decide what counts.
 - What counts can “evolve” over time and may vary among health plans.

Implementing BH/SUD VBP in a Managed Care Environment: Examples

Managed Care Requirement to:	State
Adopt an ACO model that incorporates SUD in provider accountability for cost and quality	MN
Adopt episode of care payments for SUD treatment (scheduled for 2020)	TN
Require a specific percentage of provider payments through approved VBP arrangements	AZ, NY
Move toward implementation of more sophisticated VBP approaches over the life of the contract	NY

State Example: Arizona Gradually Ramps Up BH VBP Targets

- Specialty integrated plans (adults with SMI) pick from a menu of VBP options:
 - (1) incentives to improve BH coordination in primary care; (2) pay-for-performance; (3) bundled or episode payments; (4) shared savings and/or risk; and (5) performance-based capitation
 - VBP initiatives linked to quality measures selected by plan.

Contract Year	Acute Physical	Acute Behavioral – SMI Integrated
2016	20%	5%
2017	35%	15%
2018	50%	25%
2019	60%	35%
2020	70%	50%

Source: Presentation on Arizona's Value-Based Purchasing Initiatives. <http://tahp.org/wp-content/uploads/2016/11/Silver-AZ-Medicaid-VBP-Initiatives.pdf>

Provide Technical Assistance

- For example, New York offers comprehensive VBP technical assistance to plans and providers
 - The Community Technical Assistance Center of New York and Managed Care Technical Assistance Center of New York offer training, consultation, and educational resources for behavioral health agencies
 - NY also offers a “VBP University”

Semester	Date of Release	Area of Study
Semester One	Released in July 2017	Background and foundational information on VBP
Semester Two	August 2017-Now Live!	Topic specific information such as governance, business strategy, stakeholder engagement, finance, and data
Semester Three	September 2017	VBP Contracting
Semester Four	October and November 2017	VBP Bootcamps

Early Lessons on VBP Approaches for SUD

- New study on VBP arrangements used to accelerate the integration of SUD treatment in primary care.
- Early findings include:
 - VBP models being implemented
 - Particularly in response to opioid epidemic
 - Most Medicaid VBP arrangements for SUD in primary care are in HCP-LAN category 2 (e.g., infrastructure payments and pay-for-performance)
 - Effective training and adequate payments are essential
 - Particularly for Medication Assisted Treatment in primary care settings
 - There is a need for more robust quality measurement for SUD

Overall Webinar Key Takeaways

- Developing a VBP program for SUD is a challenging process
 - Requires careful consideration of both program and model design
 - These elements should be considered in the context of state goals and current infrastructure
 - Many states start with a Category 2 program and work their way to Category 4 as they gain experience and sophistication

Discussion & Questions



Thank You for Joining Today's Webinar!

We hope to see you for the following Medicaid IAP VBP Webinar that will build off this one:

- Medicaid Value-Based Payments for Maternal and Infant Health-
November 2nd, 2:00-3:00 pm ET

Please take a moment to complete a short feedback survey.